

COMMITTEE ON PLANNING AND BUDGET
Annual Report, 2005-06

To the Academic Senate, Santa Cruz Division:

Introduction

For the third consecutive year, the Committee on Planning and Budget (CPB) conducted business in the face of turnover and uncertainty in senior campus administration, as well as highly publicized tumult in both the Office of the President and in system-wide Senate leadership. Here at UCSC, at the end of Academic Year 2004-05, several interim appointments were made permanent, including David Klinger as Campus Provost/Executive Vice Chancellor and Bill Ladusaw as Vice Provost and Dean of Undergraduate Education, and Lisa Sloan's position was upgraded to Vice Provost and Dean of Graduate Studies. During the year, searches begun in 2004-05 yielded Donna Murphy as Vice Chancellor of University Relations, Jennifer Svihus as Associate Vice Chancellor of Development, and Virginia Steel as University Librarian. In 2005-06, every academic division was represented either by an interim Dean or, for at least part of the year, by an acting Dean, and we had an interim Vice Provost of Academic Affairs. In the late spring or summer, searches begun in 2005-06 yielded Bruce Margon as Vice Chancellor of Research, Georges Van Den Abbeele as Dean of Humanities, Steve Thorsett as Dean of Physical and Biological Sciences, Sheldon Kamieniecki as Dean of Social Sciences, and Alison Galloway as Vice Provost of Academic Affairs. Yet just as this leadership team came together, UCSC was dealt another blow with the sudden death of Chancellor Denice Denton. Over the entire academic year, but especially in the difficult days after Chancellor Denton's death, the campus benefited greatly from the steady and unflagging leadership of CPEVC Klinger.

CPB had a full plate with regular committee business that included a large number of external reviews, reviews of proposals for new graduate and undergraduate programs and a new department, off-cycle FTE requests, and recommendations on capital planning and FTE and budget requests. Academic planning for ~17,250 students by 2010-2015 continued; CPB reviewed the revised academic plans offered by divisions as well as a draft of the final campus-wide plan from VPAA Galloway. After analyzing comparative data on the distribution of faculty and workload at other UC campuses, CPB recommended a change in the allocation of FTE to the academic divisions. The committee evaluated pre-proposals for professional schools submitted in response to a joint call from the administration and Senate, and kept abreast of continued planning for a management school at the Silicon Valley Center. After monitoring the substantial debts for University Extension (UNEX) that have accumulated year after year, CPB concluded that the prognosis for a turnaround was grim and recommended to the CPEVC that UNEX be immediately and dramatically downsized to just a few essential and/or profitable programs. CPB examined the financial and planning issues associated with the proposed program in Technology and Information Management within the School of Engineering, and offered the CPEVC a set of recommendations. A great deal of committee time and energy was spent on issues related to the LRDP/EIR, including many rounds of negotiation with the administration and analysis of data that continued until late August 2006. Finally, in consultation with the Committee on Faculty Welfare (CFW), CPB requested comparative information on faculty salaries among divisions at UCSC and across the UC campuses, and conducted a preliminary analysis to frame the discussion on faculty compensation in 2006-07.

How CPB Functions

CPB consists of ten regular members (one of whom serves as Chair), including two *ex-officio* members: the Chair and Vice-Chair of the Senate. All members are selected by the Committee on Committees (COC) and are subject to Senate approval. CPB brings a balance of perspectives to campus issues by including members from each academic division. In 2005-06, CPB also had a graduate student representative and an undergraduate representative. For the fifth year, CPB extended an open invitation to Vice Chancellor for Planning and Budget Meredith Michaels to attend its meetings, which she did regularly. Senate staff members also attended meetings.

CPB meets weekly on Thursdays during the academic year. Information packets and agendas are circulated to members in advance of meetings, and consultations are scheduled well in advance. Meetings include a combination of in-person consultation, oral reports from CPB members, and discussion. In 2005-06, our primary dialogue with the administration was with CPEVC Klinger.

Communication among CPB members outside the normal meetings is conducted primarily via email. Members represent CPB on other academic and administrative committees and share the tasks of writing and editing documents. The roles of the Chair include setting meeting agendas, facilitating meetings, assigning tasks to members for preparing reports and written responses, meeting commitments in terms of timely response to consultation, and signing CPB documents. CPB letters and reports, unless otherwise noted, represent the consensus opinion of the committee.

Below we present key aspects of CPB's deliberations, reports, and recommendations to the Senate and campus administration in 2005-06.

1. Regular Committee Business:

CPB reviewed and made recommendations on the following proposals: a Ph.D. in Feminist Studies, a M.S. and Ph.D. in Statistics and Stochastic Modeling, a Ph.D. in Film & Digital Media, and a B.S. in Computer Game Design. CPB commented on the charges for external reviews of the following departments or programs: Art, Ecology & Evolutionary Biology, Electrical Engineering, Latin American and Latino Studies, Molecular, Cellular & Developmental Biology, and the Writing Program. CPB commented on the External Review reports and other documents, and members attended the closure meetings, for the following departments: American Studies, Environmental Studies, Physics, and the Science Communication Program.

CPB consulted on off-cycle or TOE requests in History, Math, Ecology & Evolutionary Biology, and Literature. CPB commented on the following campuswide issues: Professional School Pre-proposals, the role of Language Instruction, and the establishment and disestablishment of concentrations.

2. Academic Planning for 2010-2015: The Academic Senate received revised academic plans from divisions in winter 2006. CPB reviewed the plans, received and exchanged comments on

the plans from the Committee on Educational Policy (CEP) and Graduate Council (GC), and consulted with the Deans. We discussed the plans with CPEVC Kliger and VPAA Galloway, and then offered a written response (<http://senate.ucsc.edu/cpb/CPBAcadPlanRevFinal.pdf>). Our response noted overarching issues and offered division-by-division comments and recommendations that should be addressed before submission of the final unified campus plan. In two cases, the Humanities Division and the School of Engineering, we argued that the issues were of sufficient magnitude to warrant submission of revised plans. In late spring, CPB reviewed an outline and rough draft for the final campus plan prepared by VPAA Galloway and offered comments. CPEVC Kliger has stated that a draft of the campuswide academic plan should be sent to the Senate in October.

This round of planning has been conducted using FTE targets for the divisions that were set by CPEVC Kliger in summer 2005. These targets were similar to those arrived at by CPEVC Simpson in 2002, though they included slightly lower allocations to the Arts and Humanities, and slightly higher allocations to Social Sciences and Physical and Biological Sciences. Throughout the fall of 2005 and winter of 2006, CPB consulted with CPEVC Kliger and VPAA Galloway about the planning process and the target figures. CPB sought quantitative, comparative information on resources available to support and launch programs and on workload distributions at comparable institutions. In winter and spring 2006, the Office of Institutional Research conducted a comparative study of FTE distributions and workload at UCSC and our sister campuses, and the Office of Planning and Budget worked with CPB members on comparisons among divisions on financial factors (both income and expenses). In light of these studies, CPB wrote an addendum to its comments on the academic plans that focused on the question of the size of the divisions (<http://senate.ucsc.edu/cpb/Addendum10yrPlans.pdf>). We recommended slightly higher FTE allocation to the Arts and Humanities, and a slightly lower allocation to the School of Engineering. We also sought further data to consider whether the level of instructional support to Social Sciences and Physical and Biological Sciences is appropriate. CPEVC Kliger responded to CPB and stated that the final academic plan would contain revised FTE allocations to the divisions, though he did not state that our specific recommendations would be followed. This issue should be resolved with the release of the final academic plan in October.

3. Planning for Professional Schools: Planning for professional schools continued on two fronts. In response to a joint call from the administration and Senate, five pre-proposals were submitted for professional programs that would largely be based in Santa Cruz, either on the main campus or at Long Marine Laboratory. CPB participated in the Senate review of the pre-proposals. Two pre-proposals received support from VPAA Galloway - the School of Public Policy (two terms of course release to foster further proposal development) and the School of Public Media (seed funds to catalyze cluster development). The pre-proposal for a professional program in Coastal and Marine Policy was reviewed favorably, but considered virtually complete and therefore not in need of funding for development.

In addition to these "bottom-up", faculty-initiated proposals, work continued on a "top-down", administratively-initiated proposal for a School of Management (SOM) in Silicon Valley. Work on the proposal was led by Carl Walsh, Vice Provost for Silicon Valley Initiatives. A steering committee was appointed to investigate the potential for a SOM in March 2006; a CPB member

attended steering committee meetings and reported back to the committee. The steering committee produced a report in July 2006 that examined academic vision, the market for students, costs, potential for generating external funding, and issues of implementation. As the report appeared after the last CPB meeting, the committee did not review the document; the 2006-07 committee should do so promptly, as the report envisions submission of a proposal for a SOM for formal review in winter 2007.

Funding for professional schools will be a critical issue. Beginning in 2001, the CPEVC began to hold centrally FTE that had been allocated by UCOP in order to "bank" FTE to support new initiatives, such as professional schools. Yet these FTE have been (and will continue to be) allocated in response to actual growth in student numbers at UCSC. An obvious, unavoidable consequence of this strategy of "banking" FTE has been to raise the ratio of students to ladder-rank faculty. This rise has presumably been accommodated through a variety of strategies (larger class sizes, hiring lecturers, etc.). Any new professional program must serve a sizable population of students and have substantial external support to cover its higher per-student costs, otherwise student-to-faculty ratios and other types of support will erode further elsewhere on campus. The campus may decide these costs are worth the benefit of a new professional school. But what these benefits are, especially for a school outside the main campus, should be clearly explained, and such a path should be taken as a conscious decision, not an unintended consequence.

4. University Extension: In May 2004, in the face of mounting debts for UCSC's University Extension (UNEX) program, CPB issued a report that recommended convening a task force to address management, financial, and curricular objectives for UNEX. In winter 2005, former CPEVC Peggy Delaney formed a faculty/administrative task force on UNEX charged with examining solely the curricular objectives and governance of UNEX. A draft report from the task force was reviewed by Senate committees in fall 2005. CPB found the proposed new mission statement for UNEX overly narrow and restrictive and was troubled by aspects of the governance structure. CPB met with Cathy Sandeen, Dean of UNEX and Summer Sessions, several times in 2005-06 to receive updates on the financial status of UNEX. Despite substantial incremental cost-cutting over the past five years, deficits continue to mount, in part because of high costs for leased space, but also because projected revenues fail to materialize. Following our meeting with Dean Sandeen in June 2006, CPB concluded that if UNEX continues to function with its existing model, there is a high probability of incurring additional large deficits for the foreseeable future. CPB recommended a radical restructuring and downsizing of UNEX. Core functions of UNEX that are important to the campus should be retained. Units with a proven record of generating a net profit should be retained as well, based on calculations that include overhead expenditures required for such a shrunken enterprise, not just direct instructional costs. Our view is that restructuring of UNEX should be directed by the Office of Planning and Budget and supervised by the CPEVC, as continued restructuring delegated to UNEX administration would likely result in further incremental change.

CPEVC Kliger viewed CPB as recommending complete shutdown of UNEX and offered two objections to this action that were sound, but not relevant to our actual recommendation for restructuring. He indicated that UNEX administration is conducting another business assessment this fall to explore the viability of its different subunits, and that he would like to see the results

of this analysis and consult with CPB before moving towards radical restructuring. If the assessment is not rapidly followed by action, we believe that large debts will continue to accumulate. We encourage CPB 2006-07 to follow up on our recommendation for major restructuring as they examine the results of the business assessment.

5. Technology and Information Management Program

In November 2004, the School of Engineering (SOE) was provided \$1.35 million in special funds by EVC Peggy Delaney to launch the Technology and Information Management (TIM) program at the Silicon Valley Center (SVC). CPB was provided accounts for expenditures from these funds. After reviewing the accounts, CPB concluded that a substantial fraction of these funds may have been spent on expenses not directly or indirectly related to SVC, and some of the money may even have been spent on other departments in SOE. CPB recommended that a proper accounting be conducted, followed by suitable penalties if any inappropriate expenditures were found. We do not know if a formal accounting has been conducted, or if reimbursements and penalties have been put in place.

CPB also reviewed the academic accomplishments of TIM in SVC and found that they were minimal. CPB recommended that the program at SVC be suspended until a comprehensive plan was drawn up and reviewed. CPB further recommended that the TIM program at UCSC be immediately placed under external leadership (i.e. from outside SOE), and that a final decision about its future be made after a graduate proposal and a departmental proposal were submitted. CPB recommended that faculty hiring for TIM should be suspended until these proposals were submitted and approved. The CPEVC did not follow our recommendation in seeking external leadership, but he did request graduate proposal and a business plan for TIM at SVC (which were received in late August), and two authorized TIM faculty recruitments have been put on hold. We reiterate our recommendation that no additional hires be made for TIM until a departmental proposal has been submitted and approved. We believe it unwise to hire additional divisional appointees (like the four current TIM faculty), who are outside of any existing department, before UCSC is confident about the future of the program.

6. Information Technology Services and GARP: CPB had a consultation about various aspects of the functioning of Information Technology Services (ITS) with Vice Provost Larry Merkley. CPB criticized the repeated failure of the Graduate Admissions Review Portal (GARP) and recommended that a clear line of IT staff accountability be established to ensure that GARP works in 2006-07, and to consider alternate mechanisms for a stable online system. In response, a team of ITS, AIS and Graduate Division personnel, led by the Graduate Division, was established. CPB also recommended that UCSC faculty with appropriate expertise be asked by the CPEVC to examine whether the recent large applications systems projects have performed as well as one could reasonably expect, and if the substantial upgrades (and associated budget) sought for infrastructure – partly responsible for the steep increases in recharge fees projected for the next few years – are essential. In response, the CPEVC expressed the view that the Committee on Computing and Telecommunications (CCT) could carry out this role. However, recently CPB's recommendation has been endorsed by CCT. We have not been informed of any subsequent action by the CPEVC.

7. Silicon Valley Initiatives: CPB met with Carl Walsh, Vice Provost for Silicon Valley Initiatives, on two occasions. We discussed the management of the University Affiliated Research Center (UARC), including how the substantial revenues it generates via recharge and management fees support activities in Silicon Valley and on the main campus. VP Walsh described the state of planning for the Bio-Info-Nano Research and Development Institute (BINRIDI), which is still in the earliest phases. Finally, we discussed space issues for academic programs, such as TIM. We encouraged greater interaction between VP Walsh and Dean Sandeen to coordinate UCSC's presence in Silicon Valley, and to brainstorm on ways that UCSC's other activities in Silicon Valley might be used to alleviate the financial crisis for UNEX.

8. Draft LRDP/EIR: CPB spent a considerable amount of time in the 2005-06 academic year on issues associated with the draft campus LRDP/EIR. The plan defines an upper limit for possible growth of the Santa Cruz campus through 2020, and CPB's analyses were oriented towards ensuring that the implications of prospective campus growth are as accurately documented and evaluated as possible. CPB principally focused on housing-related issues and traffic analyses, and their associated financial implications and mitigations. A description of these concerns can be found at <http://senate.ucsc.edu/cpb/EIRfinalON.pdf>. This work followed on the previous year's preparation of a sequence of open queries from CPB on the LRDP that were forwarded to the Senate (<http://senate.ucsc.edu/cpb/CPBLRDPPrpt1451.pdf>). CPB was informed that the medium for receiving a formal response to our comments from the administration was to post them in the public comments on the draft LRDP/EIR, which was done by CPB as members of the public prior to the close of public comments on January 11, 2006. Ultimately, a Senate Resolution was prepared by CPB to ensure that its comments and concerns were dealt with by the administration. (<http://senate.ucsc.edu/cpb/CPB0506RDPAS1488.pdf>) The resolution focused on having the administration: (1) correct or explain possible errors found by CPB in the draft LRDP/EIR; (2) provide expanded/ improved analyses of internal traffic on the University and cumulative traffic delays; and (3) provide financial analyses of prospective parking fees and housing costs. The resolution was endorsed by the Committee on Faculty Welfare (CFW) and the Senate Executive Committee (SEC), and was passed by the Senate at its April 26th, 2006 meeting by a vote of 69-26. The Resolution requested that the administration not submit the final LRDP/EIR to the Regents until November unless the SEC, which was charged with determining compliance with the Resolution, endorsed an earlier submission.

9. Faculty Salary Study: Recent studies have suggested that UC salaries lag those of comparison institutions by as much as 15%. Furthermore, there has been a perception that faculty salaries at UCSC are low relative to other UCs, despite a cost of living that is higher than at most other campuses. CPB and CFW began a preliminary study of these issues, requesting information on faculty salaries here and across our sister campuses. We appreciate the work by staff in the Office of Academic Human Resources, who compiled these data.

STUDY OF FACULTY SALARIES

PART I: REGULAR ACADEMIC YEAR FACULTY SALARIES

Salary data from October 2005 for regular academics were provided by UCSC Academic Human Resources (AHR) for eight UC campuses. AHR data were presented by rank and step in the format below and analyzed to produce the numbered tables in the body of the report. In the analyses, we have not included comparative data for ranks/steps that are not currently filled at UCSC, such as Regular Assistant Professor Step 1, or Associate Professor 6.

Sort Title	Step	Campus	On		Pcent		Max Sal	Av Sal	Scale	
			Median Salary	Scale	Count	Offscale				
Assistant Prof. 1	1	UCI	56400	47200	8	6	0.75	83900	62975	Regular Ranks Academic Year
Assistant Prof. 1	1	UCLA	61300	47200	1	1	1	61300	61300	Regular Ranks Academic Year
Assistant Prof. 1	1	UCSD	63200	47200	9	8	0.89	91800	69422	Regular Ranks Academic Year
Assistant Prof. 2	2	UCB	69900	49900	7	7	1	96000	73628	Regular Ranks Academic Year
Assistant Prof. 2	2	UCD	56779	49900	18	15	0.83	81600	59345	Regular Ranks Academic Year
Assistant Prof. 2	2	UCI	56000	49900	38	28	0.74	86600	59502	Regular Ranks Academic Year
Assistant Prof. 2	2	UCLA	70800	49900	14	14	1	110200	74685	Regular Ranks Academic Year
Assistant Prof. 2	2	UCR	55100	49900	23	16	0.7	76500	57691	Regular Ranks Academic Year

...etc. through all campuses/ranks/steps.

TABLE 1: AVERAGE SALARIES BY RANK

TABLE 2: AVERAGE SALARIES BY RANK AS A MULTIPLE OF UCSC SALARIES.

UCSC average salaries fall at or near the bottom of the UC campus averages for all ranks except Professor Steps 5-9. Differentials across the eight-campus between the lowest average salaries and the highest average salaries (UCLA) are ca. 20% for Assistant Professors, ca. 20% for Associate Professors, ca. 18% for Professors Step 1-5, and ca. 8% for Professors Step 5-9. Average salaries at UCR and UCSC lag the other smaller campuses by 6-7% for Assistant Professors, by 2-6% for Associate Professors, and by 2-4% for Professors Step 1-5. Average salaries for Professors Step 5-9 are unusual in the smaller differential between lowest and highest average salaries and in the fact that UCD is at the bottom.

Table 1: Average salaries by rank

Campus	Assist.	Assoc.	Prof. 1-5	Prof. 6-9
UCB	67625	78083	99678	127544
UCD	59758	68692	88598	120852
UCI	61530	72160	92364	125364
UCLA	70092	81206	104654	134338
UCR	58381	67868	88834	121456
UCSB	62445	69394	90922	125395
UCSC	58218	67867	89022	123952
UCSD	63363	70117	94424	127313
UC avg	63186	73278	95235	127304

Table 2: Average salaries by rank/UCSC salaries by rank

Campus	Assist.	Assoc.	Prof. 1-5	Prof. 6-9
UCB	1.16	1.15	1.12	1.03
UCD	1.03	1.01	1	0.97
UCI	1.06	1.06	1.04	1.01
UCLA	1.2	1.2	1.18	1.08
UCR	1	1	1	0.98
UCSB	1.07	1.02	1.02	1.01
UCSC	1	1	1	1
UCSD	1.09	1.03	1.06	1.03
UC avg	1.09	1.08	1.07	1.03

TABLE 3: AVERAGE SALARIES AS A MULTIPLE OF UCSC AVERAGE SALARIES (BY RANK AND STEP). Entry-level (Assistant Professor) salaries at UCSC are the lowest across the eight campuses except at Step 5. Some campuses rarely or never use transitional steps (5 and 6). UCSC salaries are 1-2% above lowest average salaries for Associate Steps 1-3 and 3-4% above lowest for Associate Steps 4 and 5. UCSC average salaries at Professor Step 5 and above are more comparable to the other campuses (except UCLA). UCLA salaries are the highest of the eight campuses at most ranks/steps.

Table 3: Average salaries by step/Average UCSC salaries by step

Campus	Assistant				Associate					Professor								
	2	3	4	5	1	2	3	4	5	1	2	3	4	5	6	7	8	9
UCB	1.29	1.16	1.15	1.06	1.58	1.17	1.09	1.05	1.05	1.47	1.13	1.07	1.07	1.05	1.06	1.01	1.02	1.03
UCD	1.04	1.01	1.05	0.96	0.99	1	1.06	0.96	1.08	1.07	1.03	1.01	1.02	0.97	1.01	1	1	1
UCI	1.05	1.04	1.09	0.98	1.03	1.08	1.08	0.99	1.02	1.04	1.08	1.08	1.07	1	1.04	1.03	1	1
UCLA	1.31	1.17	1.22		1.31	1.18	1.23	1.21	1.04	1.3	1.27	1.15	1.21	1.11	1.08	1.13	1.09	1.07
UCR	1.01	1	1.01	0.95	0.98	0.98	1.02	0.96	0.97	1.13	0.99	1	0.99	0.97	0.99	0.98	1.03	1.02
UCSB	1.05	1.07	1.09	1.05	1.03	1.02	1.05	0.96	1.02	1.06	1.06	0.97	1.03	1	1.02	1.02	1	1
UCSC	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UCSD	1.14	1.06	1.09	1	0.99	1.02	1.06	0.97	1.04	1.17	1.15	1.09	1.06	1.01	1.04	1	1.01	1.01

TABLE 4: MAXIMUM SALARIES AS A MULTIPLE OF UCSC MAXIMUM SALARIES. Aside from transitional steps, UCSC's maximum salaries at all ranks and steps are at the bottom or second from the bottom of maximum salaries at all UC campuses (except at Professor Step 8). UCB and UCLA maximum salaries approach or exceed *double* the corresponding UCSC maximum salaries for some steps of Associate and Full Professor.

Table 4: Maximum salaries by step/ Maximum UCSC salaries by step

Campus	Assistant				Associate					Professor								
	2	3	4	5	1	2	3	4	5	1	2	3	4	5	6	7	8	9
UCB	1.19	1.32	1.58	1.25	2.36	2.07	1.35	1.44	1.5	2.06	1.48	1.27	1.87	1.43	1.3	1.69	1.07	1.27
UCD	1.01	1.23	1.29	1.01	1.07	1.24	1.32	0.96	1.18	1.4	1.46	1.4	1.29	1.12	1.15	1.14	0.95	1.07
UCI	1.07	1.23	1.27	0.89	1.07	1.41	1.22	0.95	1.11	1.08	1.15	1.09	1.41	1.11	1.17	1.19	0.98	1.11
UCLA	1.36	1.53	1.99		1.94	1.32	2.59	0.93	1.04	2.21	2.1	1.32	1.99	2.05	1.23	1.33	1.2	1.42
UCR	0.94	0.94	1.06	0.82	1.05	1.08	1.1	1.1	0.97	1.56	1.13	1.09	0.95	1.18	1.17	0.95	0.9	1.1
UCSB	1.09	1.16	1.26	1	1.14	1.11	1.22	0.85	1.02	1.55	1.25	0.87	1.22	1.16	1.27	1.19	0.83	0.99
UCSC	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UCSD	1.55	1.08	1.79	0.84	1.03	0.94	1.75	1.01	1.4	1.95	1.67	1.45	1.58	1.29	1.68	1.07	1.08	1.28

TABLE 5: AVERAGE SALARIES AS A MULTIPLE OF ON-SCALE SALARIES. Average salaries at some ranks/steps at UCB (Assistant 2, Associate 1, Professor 1) and at UCLA (Assistant 2, Associate 1, Professor 1) are above the ceilings set in APM 620-16 *Limitations on off-scale salaries.*

Table 5: Average salaries/On-scale salaries

Campus	Assistant				Associate					Professor								
	2	3	4	5	1	2	3	4	5	1	2	3	4	5	6	7	8	9
APM	1.3	1.3	1.33	1.27	1.27	1.3	1.34	1.37	1.38	1.37	1.38	1.39	1.38					
UCB	1.48	1.26	1.19	1.16	1.71	1.25	1.13	1.13	1.08	1.56	1.19	1.15	1.12	1.11	1.12	1.06	1.08	1.07
UCD	1.19	1.1	1.09	1.05	1.07	1.07	1.1	1.04	1.11	1.14	1.09	1.08	1.07	1.02	1.07	1.05	1.06	1.04
UCI	1.19	1.14	1.14	1.07	1.12	1.16	1.12	1.07	1.05	1.11	1.14	1.16	1.12	1.06	1.11	1.08	1.06	1.04
UCLA	1.5	1.28	1.27		1.42	1.26	1.27	1.31	1.07	1.38	1.34	1.24	1.28	1.17	1.14	1.19	1.15	1.11
UCR	1.16	1.09	1.04	1.03	1.06	1.05	1.06	1.04	1	1.2	1.04	1.08	1.04	1.03	1.05	1.03	1.09	1.05
UCSB	1.19	1.17	1.13	1.15	1.12	1.09	1.09	1.04	1.05	1.13	1.11	1.04	1.09	1.06	1.09	1.07	1.06	1.03
UCSC	1.14	1.09	1.04	1.09	1.08	1.07	1.04	1.08	1.03	1.06	1.06	1.08	1.05	1.06	1.06	1.05	1.06	1.04
UCSD	1.3	1.16	1.13	1.07	1.07	1.09	1.1	1.06	1.07	1.24	1.21	1.17	1.11	1.07	1.11	1.05	1.07	1.05

TABLE 6: MAXIMUM SALARIES AS A MULTIPLE OF ON-SCALE SALARIES.

Maximum salaries paid by UCB, UCLA, and UCSD at several steps approach and exceed double the allowable maximum salary allowed for those steps by the APM.

Table 6: Maximum salaries/On-scale salaries

Campus	Assistant				Associate					Professor								
	2	3	4	5	1	2	3	4	5	1	2	3	4	5	6	7	8	9
APM	1.3	1.3	1.33	1.27	1.27	1.3	1.34	1.37	1.38	1.37	1.38	1.39	1.38					
UCB	1.92	1.92	1.82	1.73	2.87	2.87	1.56	2.04	1.54	2.34	1.84	1.84	2.32	1.69	1.65	2	1.51	1.47
UCD	1.64	1.8	1.48	1.4	1.3	1.72	1.52	1.36	1.21	1.6	1.82	2.03	1.6	1.33	1.47	1.35	1.34	1.24
UCI	1.74	1.79	1.46	1.23	1.3	1.95	1.41	1.34	1.14	1.23	1.44	1.58	1.74	1.32	1.48	1.41	1.39	1.28
UCLA	2.21	2.23	2.3		2.35	1.83	2.99	1.31	1.07	2.52	2.61	1.92	2.46	2.43	1.56	1.58	1.69	1.64
UCR	1.53	1.37	1.22	1.14	1.28	1.5	1.27	1.55	1	1.78	1.4	1.59	1.18	1.4	1.49	1.12	1.28	1.28
UCSB	1.77	1.69	1.45	1.38	1.38	1.54	1.4	1.21	1.05	1.76	1.55	1.27	1.51	1.37	1.61	1.41	1.18	1.15
UCSC	1.62	1.46	1.15	1.38	1.22	1.39	1.15	1.42	1.03	1.14	1.25	1.45	1.24	1.18	1.27	1.18	1.42	1.16
UCSD	2.52	1.58	2.07	1.16	1.25	1.31	2.02	1.43	1.44	2.22	2.08	2.11	1.95	1.53	2.14	1.26	1.52	1.48

The differences between average salaries at campuses with the highest salaries as opposed to those with the lowest may reflect differing interpretations of policy stipulated in the APM. While APM 620-16 *Limitations on off-scale salaries* sets specific limitations for salary within each rank and step through Professor IV, APM 620-24 *Authority* allows the possibility of exceptions at all ranks: “In unusual circumstances, the Chancellor or the appropriate Vice President is further authorized to make exceptions in individual cases, including an exception for faculty below Step VI, whose salary requirements are greater than the top of the salary scale...” It appears that most faculty at UCB and UCLA are found to be in “unusual circumstances” and thus eligible for this exception whereas most faculty at the other six campuses are not.

Part II: REGULAR ACADEMIC YEAR BUSINESS AND ENGINEERING SALARIES

Data for regular academic year business and engineering (B&E) salaries were received from AHR in a format similar to the data for regular faculty. However, two types of data provided for

regular faculty were not provided for B&E salaries: maximum salaries for each step, and number/percentage of faculty off-scale. In contrast to data previously provided by AHR, no information was provided for October 2005 regarding faculty at Associate Step 0 or Professor Step 0.

Sort Title	Step	count	Campus	On scale salary	Median Salary	Average Salary	Scale
Assistant Professor	1	2		62800	70200	70200	B&E Academic Year
Assistant Professor	2	10	Davis	66000	72750	71560	B&E Academic Year
Assistant Professor	2	8	Irvine	66000	75350	75787	B&E Academic Year
Assistant Professor	2	3	Los Angeles	66000	76500	75767	B&E Academic Year
Assistant Professor	2	6	Riverside	66000	66000	68433	B&E Academic Year
Assistant Professor	2	7	San Diego	66000	77500	75386	B&E Academic Year
Assistant Professor	2	1	Santa Barbara	66000	82300	82300	B&E Academic Year
Assistant Professor	2	5	Santa Cruz	66000	76300	76680	B&E Academic Year
Assistant Professor	3	9	Berkeley	69300	83400	81678	B&E Academic Year

...etc. through all campuses/ranks/steps.

TABLES 7, 8, 9: B&E Assistant Professor salaries at UCSC are at the eight-campus UC average. B&E Associate Professors and Professors lag the eight-campus UC average by 4%. Salaries for UCSC Associate Professors are, along with UCD and UCR, the lowest in the system with UCLA 14% higher and UCB 9% higher. Average salaries for Professors vary within a narrower range than salaries for Assistants or Associates.

Table 7: Average salaries by rank

Campus	Assistant	Associate	Professor
UCB	80831	92764	117417
UCD	75712	85162	110064
UCI	77081	86197	108696
UCLA	77759	97306	116111
UCR	76648	84964	109342
UCSB	80079	85924	116021
UCSC	77780	85080	109967
UCSD	78835	87550	116986

Table 8: Average salaries by rank/UCSC salaries by rank

	Campus Assistant	Associate	Professor
UCB	1.04	1.09	1.07
UCD	0.97	1	1
UCI	0.99	1.01	0.99
UCLA	1	1.14	1.06
UCR	0.99	1	0.99
UCSB	1.03	1.01	1.06
UCSC	1	1	1
UCSD	1.01	1.03	1.06
UC avg	1	1.04	1.04

Table 9: Average salaries/Average UCSC salaries

Campus	Assistant				Associate				Professor								
	2	3	4	5	1	2	3	4	1	2	3	4	5	6	7	8	9
UCB		1.05	0.98	1.01		1.33	0.99	1.07	1	1.01	1.06	1.03	0.97	1.07	0.94	0.98	1.02
UCD	0.93	0.97	1.02	0.97	1	1.04	0.98	1	1.03	1.06	1.09	1.08	1.06	1.09	0.97	1.03	0.49
UCI	0.99	0.98	1	1.03	1	1.95	0.95	1.03	1	1.02	0.96	0.97	0.89	0.94	0.88	1.11	1.05
UCLA	0.99	0.97	1.07		1.16	1.33	1.05		1.11	1.19	1.1	1.07	1.04	1.03	1.34	0.98	1.04
UCR	0.89	1.02	1.03	0.98		1.04	0.95	1.11	1.01	1.08	1.09	1.05	0.97	1.01		1.05	
UCSB	1.07	1.01	1.06	0.95	1	1.07	0.99	1.05	1.04	0.98	1	1.02	0.98	1.06	0.89	0.98	1.04
UCSC	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UCSD	0.98	1.02	1.04		1	1.07	1.03	1	1.04	1.04	1.03	1.11	1.03	1.06	0.92	0.97	1.03

TABLE 10: AVERAGE SALARIES AS A MULTIPLE OF ON-SCALE SALARIES. In contrast to average salaries for regular faculty, which routinely exceed APM guidelines, engineering salaries fall largely within the constraints of the APM. There is one exception at UCB (Associate 2), one at UCI (Associate 2), and two at UCLA (Associate 1 and 2).

Table 10: Average salaries/On-scale salaries

Campus	Assistant				Associate				Professor								
	2	3	4	5	1	2	3	4	1	2	3	4	5	6	7	8	9
APM	1.24	1.22	1.19	1.14	1.14	1.17	1.21	1.26	1.26	1.32	1.33						
UCB		1.18	1.05	1.06		1.35	1.07	1.08	1.03	1.04	1.1	1.05	1.06	1.11	1.07	1.04	1.29
UCD	1.08	1.09	1.09	1.02	1.08	1.05	1.06	1.01	1.03	1.03	1.06	1.02	1.06	1.06	1.02	1.27	1.12
UCI	1.15	1.09	1.07	1.08	1.08	1.27	1.07	1.07	1	1.08	1.06	1.06	1.04	1.05	1.08	1.27	1.14
UCLA	1.15	1.09	1.14		1.26	1.35	1.14		1.14	1.22	1.15	1.09	1.13	1.06	1.53	1.04	1.31
UCR	1.04	1.14	1.1	1.04		1.06	1.03	1.12	1.04	1.11	1.14	1.07	1.05	1.04		1.12	
UCSB	1.25	1.13	1.13	1	1.08	1.09	1.07	1.06	1.08	1.01	1.05	1.04	1.06	1.1	1.01	1.05	1.32
UCSC	1.16	1.12	1.07	1.05	1.08	1.02	1.08	1.01	1.03	1.03	1.04	1.02	1.08	1.03	1.14	1.06	1.26
UCSD	1.14	1.14	1.11		1.09	1.09	1.12	1.01	1.07	1.07	1.07	1.13	1.11	1.09	1.05	1.03	1.29

B&E faculty salaries vary within narrower ranges among the eight campuses than do regular faculty salaries. As noted, B&E faculty salaries at UCSC lag the eight-campus average by about 4% at Associate and Professor ranks. In the absence of data for maximum salaries across the eight campuses and in the absence of information about Associate Step 0 and Professor Step 0 (apparently present at other campuses but not at UCSC), more detailed and complete comparisons cannot be made.

Part III: INTERDIVISIONAL COMPARISONS AT UCSC

The last analysis CPB conducted was internal to UCSC. We compared the average salaries per rank and step among the five divisions. The results are plotted in Figures 1 and 2. In addition to the actual average salary at each rank/step, we have included two lines showing the on-scale salaries for regular rank faculty (AHPS SC) and engineering faculty (ENG SC). For almost every rank/step, the actual salary is greater than the on-scale salary, indicating the size of the

average off-scale salary increment. For Assistant Professors in regular rank positions, Arts faculty tend to have the smallest off-scale increment, Social Science faculty consistently have the highest salaries, and Humanities and PBSci faculty have similar salaries. At the Associate rank, Arts, Humanities, and PBSci faculty are roughly equivalent, but Social Sciences faculty have higher salaries. The high salaries for the Social Science Division probably reflects the very large off-scale increments required to recruit and retain faculty in Economics, whom we compete for with business schools. At the Professor rank, Social Science faculty again have much higher off-scale increments, in some cases approaching or overlapping the Engineering scale. Salaries are similar for Arts, Humanities, and PBSci faculty. Off-scale increments for Engineering faculty are not substantially larger than those for regular rank faculty at most ranks/steps.

We reached the following conclusions from these comparative data. First, the perception that UCSC faculty are not paid as well as faculty on most other campuses is correct. Second, when compared to faculty at the larger campuses (UCB, UCLA, UCSD), the disparity is very large.

Figure 1: Assistant & Associate Prof. Salaries 05-06

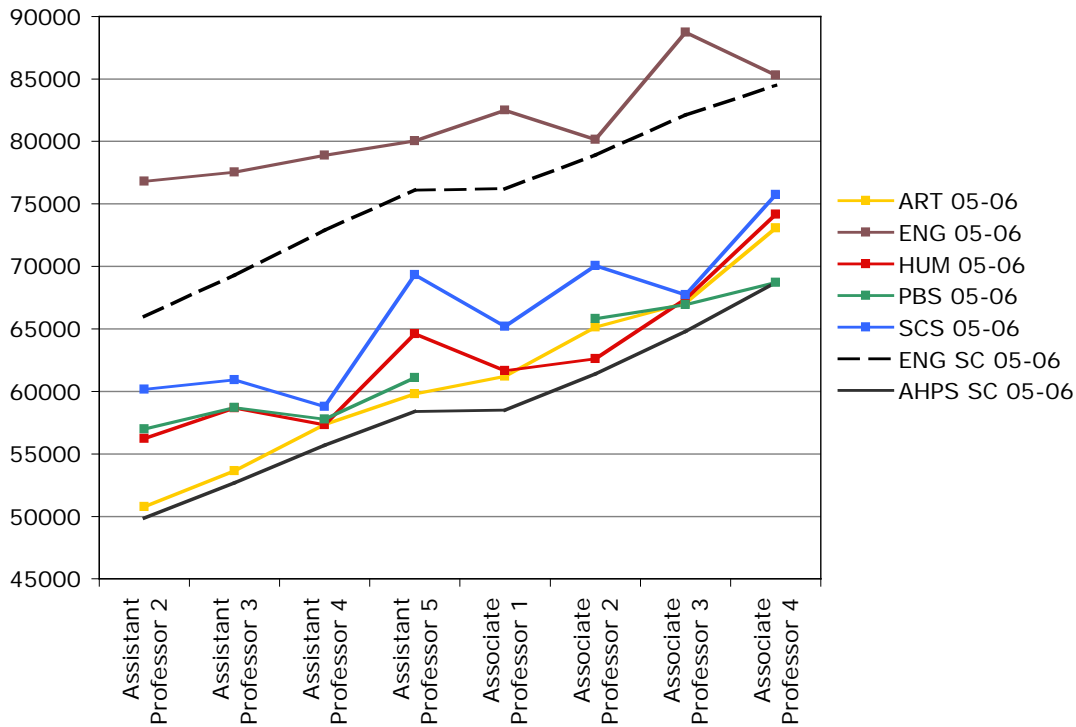
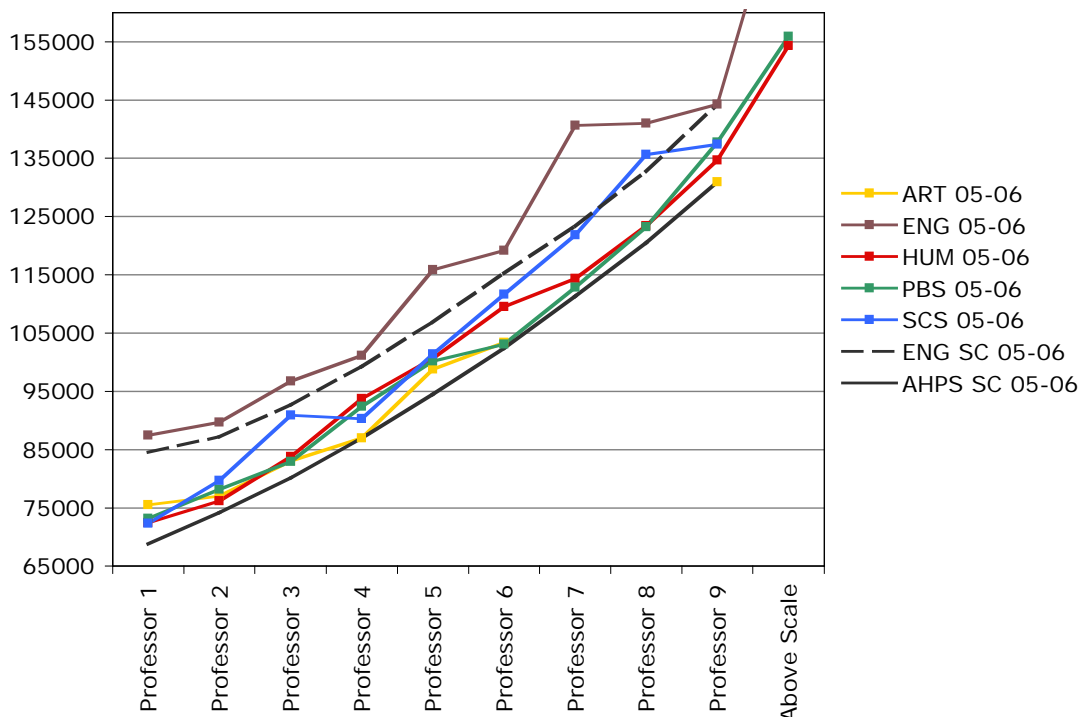


Figure 2: Professor Salaries 05-06



We do not have data by division for other campuses, and so do not know how differences in divisional composition might affect these conclusions. At UCSC, however, there is rough equity in salaries across the divisions, although we suspect our data are skewed somewhat because we did not separate Economics from the other Social Science departments.

The conclusions for the campus are troubling, especially at a time when we are considering growth in the number of students, staff, and faculty under a new LRDP. Potential remedies could include a systematic increase in off-scale increments over the next several years, as faculty rotate through the normal merit process, to bring UCSC salaries more in line with the norm throughout the system. An alternative approach would be to increase the rate at which faculty move up in rank/step. As reported in previous studies, UCSC has a large "bulge" of faculty at Professor Step 5, from 20% in the Arts, to 13-14% in the Humanities and PBSci, to 11% in Social Sciences, to a low of 5% in the still growing School of Engineering. Addressing this bulge, and the general rate of promotion, will require concerted efforts by the Senate and Administration.

9. Comments on Senate Reports: In spring 2005, CEP, CPB, and CAFA were charged by the Senate to investigate the low rates of retention and graduation for UCSC undergraduates. CEP took the lead on this project, and worked closely with VPDUE Ladusaw to study patterns in graduation rates and retention across a number of variables. The final report, (<http://senate.ucsc.edu/cep/CEPretention1495.pdf>), included input from CPB and CAFA. As might be expected, the many factors influencing retention are complicated and resist easy summary, but several results are clear. UCSC performs as expected at retaining men and

women, and better than expected at retaining students from ethnic subpopulations. As stated in the report "while all of these graduation rates are below the campus six-year graduation rate for these cohorts [i.e., ethnic subpopulations], it appears that our many excellent support programs are significantly helping students in the subpopulations, and hence our overall six-year graduation rate". The most conspicuous anomaly is that UCSC disproportionately fails to retain better-prepared students (as measured by performance on standardized tests). There are also differences in retention and graduation rates by major and division. The report recommends targets for retention, as well as the establishment of a task force to help reach these goals, but offers few recommendations on how to achieve these goals.

CPB commented on the Proposal for Increased Curricular Support for University - Level Writing (AS/SCP/1498) submitted by the Committee on Preparatory Education. CPB admired the clarity of the report and supported some, but not all, of the recommendations of the proposal. CPB supported the proposal written by CAFA arguing for an increase the rate of funding for the scholarships based on academic merit (Regents and Chancellors Scholarships). CPEVC Kliger followed the recommendation of both committees and increased funding for these scholarships, but requested that CAFA and VPDUE Ladusaw follow up to ensure that programs were in place so that Regents Scholars are retained by UCSC.

10. System-wide Business: In November 2005, the Academic Assembly adopted a resolution opposing RE-61, Recommendation C, a proposal under consideration by the Board of Regents to augment funding of salaries for some senior leadership positions with private funds. The discussion of RE-61 prompted an extensive Senate discussion of the appropriate use of private funds in supporting UC salaries. The greatest discussion revolved around the use of private funds to support salaries of deans. The University Committee on Planning and Budget (UCPB) explored these issues further (including information requests regarding past and current policies at each campus) and drafted a statement of principle on private fundraising for academic and administrative salaries. CPB approved the statement drafted by UCPB, which was ultimately endorsed by the Academic Assembly.

11. Continuing Issues for CPB 2006-2007

a. UNEX: The Administration must develop a convincing plan for a UNEX that is financially solvent. CPB should study the business assessment in the fall term carefully. Based on the information we have received to date from the Administration and VPD Sandeen we stand by our recommendation for major restructuring and downsizing.

b. Growth: CPB must work with the Administration to come to an agreement about a clear set of conditions under which additional growth would be favorable, and conditions under which growth would be disadvantageous to the campus. If the latter conditions are met, the Senate and Administration should agree that they would, together, forcefully argue against additional growth to UCOP.

c. Academic Plans: Assuming a final academic plan is submitted in October 2006, CPB should work with the Administration and other Senate committees (CEP, GC, COR, CAAD) to set criteria for measuring progress toward increasing the excellence of education and research at UCSC, as well as its commitment to serve a diverse community of students, staff and scholars.

d. Professional Schools: Planning for professional schools, particularly a School of Management, will engage CPB in 2006-07. We urge CPB to pay close attention to the business model and financial planning for these schools to ensure that their growth does not erode support for the educational mission of the rest of the campus, or to at least make these trade-offs explicit.

e. Faculty Salaries: Our preliminary study of faculty salaries should help frame the discussion of solutions to the serious problem of lagging salaries. In addition, partly in response to the compensation scandals rocking the Office of the President, the UC Regents approved a step system for administrative salaries that formalizes paying different salaries at each campus based on their size, complexity (i.e., size), and stature (which correlates to size). The Regents may attempt something similar this year with faculty salaries, perhaps formally setting different scales at different campuses. We suspect they would largely reinforce the status quo, locking UCSC and other small campuses into second tier status. The Senate and Administration should be prepared to vigorously oppose such actions.

f. Faculty Housing: Faculty housing will continue to be an item of critical importance for CPB. The Employee Housing Administrative Plan (incorporating recommendations relevant to employee housing) is expected from the consulting firm of Brailsford and Dunlavy on Oct. 1, 2006, and the translation of the Administrative Plan into a Master Plan (incorporating action items relevant to employee housing) is a topic on which the Senate and Administration are expected to consult extensively during the coming year. This topic is vital for both recruiting and retaining high quality faculty and staff, and prospectively has significant budgetary implications for the campus.

g. Campus/Off-Campus Integration: Issues remain concerning the relationship of faculty to UCSC-related educational efforts off campus. These include the Silicon Valley Center, MBEST, and 2300 Delaware. CPB should also closely monitor nascent initiatives in Silicon Valley such as BINRIDI.

Respectfully submitted:

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November 1, 2006